



**Registration of a Charge**

Company Name: **ROYAL MAIL GROUP LIMITED**

Company Number: **04138203**



XBW9XM32

Received for filing in Electronic Format on the: **30/01/2023**

**Details of Charge**

Date of creation: **27/01/2023**

Charge code: **0413 8203 0015**

Persons entitled: **RMCPP TRUSTEES LIMITED**

Brief description:

**Contains fixed charge(s).**

**Contains negative pledge.**

**Authentication of Form**

This form was authorised by: **a person with an interest in the registration of the charge.**

**Authentication of Instrument**

Certification statement: **I CERTIFY THAT SAVE FOR MATERIAL REDACTED PURSUANT TO S.859G OF THE COMPANIES ACT 2006 THE ELECTRONIC COPY INSTRUMENT DELIVERED AS PART OF THIS APPLICATION FOR REGISTRATION IS A CORRECT COPY OF THE ORIGINAL INSTRUMENT.**

Certified by: **SQUIRE PATTON BOGGS (UK) LLP**



## **CERTIFICATE OF THE REGISTRATION OF A CHARGE**

Company number: 4138203

Charge code: 0413 8203 0015

The Registrar of Companies for England and Wales hereby certifies that a charge dated 27th January 2023 and created by ROYAL MAIL GROUP LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 30th January 2023 .

Given at Companies House, Cardiff on 31st January 2023

The above information was communicated by electronic means and authenticated by the Registrar of Companies under section 1115 of the Companies Act 2006



**Companies House**



THE OFFICIAL SEAL OF THE  
REGISTRAR OF COMPANIES

**A&L Goodbody**

Execution Version

Dated 27 January 2023

**Royal Mail Group Limited**

and

**RMCPP Trustees Limited**

as trustee of the Royal Mail Collective Pension Fund

**SECURITY AGREEMENT**

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THIS DEED is dated 27 January 2023 between:

- (1) **ROYAL MAIL GROUP LIMITED** (registered number 04138203) whose registered office is at 185 Farringdon Road, London, EC1A 1AA (the **Chargor**); and
- (2) **RMCPPT TRUSTEES LIMITED** (registered number 14051357) whose registered office is at 185 Farringdon Road, London, EC1A 1AA as trustee of the Royal Mail Collective Pension Plan and any other person or persons who is or are for the time being a trustee of the Royal Mail Collective Pension Plan (the **Trustee**).

IT IS AGREED as follows:

## 1 INTERPRETATION

### 1.1 Definitions

In this Deed:

**Accounts** means the Cash Account and the Securities Account and **Account** means either of them.

**Act** means the Land and Conveyancing Law Reform Act 2009;

**Business Day** means a day (other than a Saturday or a Sunday) on which banks are open for general business in Dublin and London;

**Cash Account** means any cash account opened or maintained by the Chargor and designated by the Chargor as a Cash Account for the purposes of this Deed, in each case together with:

- (a) all additions to or renewals or replacements of such account (in whatever currency) and all investments made out of the same; and
- (b) all rights, benefits and proceeds in respect of such account (including interest and rights to repayment of any monies standing to the credit of such account).

**Cash Account Balance** means all monies at any time standing to the credit of the Cash Account and:

- (a) all interest at any time accrued or accruing on such monies; and
- (b) all rights to repayment of any of the same.

**Clearance System** means a person whose business is or includes the provision of clearance services or security accounts or any nominee or depositary for that person.

**Escrow Deed** means the escrow deed dated on or about the date of this Deed and made between the Chargor and the Trustee in connection with the Plan.

**Event of Default** means an Insolvency Event occurs in respect of the Chargor.

**Financial Collateral Regulations** means the European Communities (Financial Collateral Arrangements) Regulations, 2010;

**Insolvency Event** in relation to an entity means any of the following events:

- (a) the nominee in relation to a proposal for a voluntary arrangement under Part 1 of the Insolvency Act 1986 submits a report to the court under Section 2 of the Insolvency Act 1986 (procedure where nominee is not the liquidator or administrator) which states that in their opinion the proposal has a reasonable prospect of being approved and implemented and should be considered by a meeting of the entity and by the entity's creditors;

- (b) the directors of the entity file (or in Scotland lodge) with the court documents and statements in accordance with Sections A3 and A6 of the Insolvency Act 1986;
- (c) an administrative receiver within the meaning of Section 251 of the Insolvency Act 1986 is appointed in relation to the entity;
- (d) the entity enters administration within the meaning of paragraph 1(2)(b) of Schedule B1 to the Insolvency Act 1986;
- (e) a resolution is passed for a voluntary winding up of the entity without a declaration of solvency under Section 89 of the Insolvency Act 1986;
- (f) the entity's creditors nominate a person to be a liquidator under Section 95 of the Insolvency Act 1986 or the procedure by which the entity's creditors were to have made such a nomination concludes without a nomination having been made (which has the effect pursuant to Section 96 of the Insolvency Act 1986 of converting a members' voluntary winding up into a creditors' voluntary winding up); or
- (g) an order for the winding up of the entity is made by the court under Part 4 or 5 of the Insolvency Act 1986.

**Material Adverse Effect** means a material adverse effect on:

- (a) the ability of the Chargor to perform its obligations under Transaction Documents;
- (b) the legality, validity or enforceability of any Transaction Document.

**Net Enforcement Proceeds** means, in relation to any Security Asset:

- (a) any proceeds of sale or enforcement; and/or
- (b) any Securities Income,

collected or received by the Trustee (or any Receiver) arising from that Security Asset following the enforcement of this Security, less all costs, expenses, remuneration and other items relating thereto contemplated in clause 11.1.1 (*Application of proceeds*).

**Party** means a party to this Deed.

**Pension Protection Fund** means the Board of the Pension Protection Fund as established under Part 2 of the Pensions Act 2004 of England.

**Plan** means the Royal Mail Collective Pension Plan.

**Provider** has the meaning given to that term in the Escrow Deed.

**Receiver** means a receiver and manager or a receiver or an administrator or an administrative receiver, in each case, appointed under this Deed.

**Related investment Rights** means, in relation to any Shares, all present and future:

- (a) dividends, distributions and other income paid or payable on the Shares or any asset referred to in paragraph (c) below or deriving therefrom or incidental thereto;
- (b) allotments, accretions and offers deriving from or incidental to the Shares;

- (c) rights, monies or property, of whatever nature, accruing or offered at any time in relation to the Shares whether by way of redemption, substitution, purchase, sale, exchange, conversion, bonus or preference, under option rights or otherwise;
- (d) rights relating to any Shares which are deposited with, or registered in the name of, any depository, custodian, nominee, clearing house or system, investment manager, chargee or other similar person or their nominee, in each case whether or not on a fungible basis (including rights against any such person); and
- (e) other rights attaching or relating to any Shares and all cash or other securities or investments in the future deriving from the Shares or such rights or incidental thereto.

**Reservations** means:

- (a) the principle that equitable remedies are remedies which may be granted or refused at the discretion of the court and damages may be regarded as an adequate remedy;
- (b) the limitation on enforcement as a result of laws relating to bankruptcy, insolvency, liquidation, reorganisation, court schemes, moratoria, administration and other laws affecting the rights of creditors generally;
- (c) the statutory time-barring of claims;
- (d) defences of set off or counterclaim;
- (e) rules against penalties and similar principles;
- (f) the fact that security which is described as fixed security may in fact be floating security;
- (g) the possibility that an undertaking to assume liability for, or indemnify a person against, non-payment of stamp duty may be void;
- (h) the fact that a court may refuse to give effect to a purported contractual obligation to pay costs imposed upon another person in respect of costs of an unsuccessful litigation brought against that person or may not award by way of costs all of the expenditure incurred by a successful litigant in proceedings brought before that court or that a court may stay proceedings if concurrent proceedings based on the same grounds and between the same parties have previously been brought before another court; and/or
- (i) any steps for perfection not required by the terms of this Deed to be taken,

and any other reservations or qualifications of law contained in any legal opinion delivered to the Trustee in respect of this Deed.

**Secured Liabilities** means, at any time, all present and future obligations and liabilities (whether actual or contingent and whether owed jointly or severally and in any capacity whatsoever) of the Chargor to the Trustee under or in relation to any one or more of the Transaction Documents (including the making of payments or procuring the transfer of assets to or for the benefit of the Plan pursuant to the Escrow Deed) (and all obligations and liabilities arising out of any extension, variation, modification, restatement or novation of such Transaction Documents whatsoever).

**Securities** means the securities now or at any time recorded in, and represented by, the Securities Account (including, without limitation, any Shares).

**Securities Account** means the securities account (account number [REDACTED]) held with, and maintained in Ireland by, the Provider (as may be renumbered at any time, and together with any sub-account or

replacement account thereof) and any other securities account opened or maintained by the Chargor and designated by the Chargor as a Securities Account for the purposes of this Deed.

**Securities Income** means any dividend, interest or other distribution or income of any kind paid or payable at any time in relation to any of the Security Assets.

**Securities Related Assets** means:

- (a) the Securities;
- (b) any Securities Income;
- (c) any right, money, shares, securities or property accruing, offered or issued at any time in relation to the above by way of redemption, substitution, exchange, bonus, preference or otherwise, under option rights or otherwise; and
- (d) any right against any Clearance System.

**Security Assets** means all assets of the Chargor the subject of any Security Interest created, or purported to be created, by this Deed.

**Security Interest** means any mortgage, charge, pledge, lien, assignment, hypothecation or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect.

**Security Period** means the period beginning on the date of this Deed and ending on the date on which all Secured Liabilities which may be or become due have been unconditionally and irrevocably paid and discharged in full or such earlier or later date as the Parties may agree in writing.

**Shares** means all shares now or in the future held by or on behalf of the Chargor in the Sub-Fund, including, but not limited to, the shares listed in Schedule 3.

**Sub-Fund** means State Street GBP Liquidity LVNAV Fund, a Central Bank of Ireland approved, low volatility net asset value money market sub-fund of State Street Liquidity public limited company.

**Subsidiary** means:

- (a) a subsidiary within the meaning of Section 1159 of the Companies Act 2006;
- (b) unless the context otherwise requires, a subsidiary undertaking within the meaning of Section 1162 of the Companies Act 2006; or
- (c) a subsidiary within the meaning of Section 7 of the Companies Act 2014;

**Tax** means any tax, levy, impost, duty or other charge or withholding of a similar nature (including any related penalty or interest payable in connection with any failure to pay or any delay in paying any of the same).

**Tax Deduction** means: a deduction or withholding for or on account of Tax from a payment under this Deed.

**Transaction Documents** means this Deed, the Escrow Deed and any other document designated as a Transaction Document by the Chargor and the Trustee in writing.

**VAT** means:

- (a) any value added tax imposed by the Value Added Tax Act 1994 of England;



- (b) any tax imposed in compliance with the Council Directive of 28 November 2006 on the common system of value added tax (EC Directive 2006/112); and
- (c) any other tax of a similar nature, whether imposed in the United Kingdom or a member state of the European Union in substitution for, or levied in addition to, such tax referred to in paragraph (a) or (b) above, or imposed elsewhere.

## 1.2 Construction

1.2.1 In this Deed, unless the contrary intention appears, a reference to:

- (a) "**assets**" includes present and future properties, revenues and rights of every description and includes uncalled capital;
- (b) an "**authorisation**" includes an authorisation, consent, approval, resolution, licence, exemption, filing, registration or notarisation;
- (c) "**disposal**" means a sale, transfer, grant, lease or other disposal, whether voluntary or involuntary, and "**dispose**" will be construed accordingly;
- (d) "**this Security**" means any Security Interests created or purported to be created by this Deed;
- (e) a "**person**" includes any individual, firm, company, corporation, unincorporated association or body (including a partnership, trust, joint venture or consortium), government, state, agency, organisation or other entity whether or not having separate legal personality;
- (f) a "**regulation**" includes any regulation, rule, official directive, request or guideline (having the force of law) of any governmental, inter-governmental or supranational body, agency, department or of any regulatory, self-regulatory or other authority (including a revenue authority) or organisation;
- (g) "**Sterling**" or "**£**" is a reference to the lawful currency for the time being of the United Kingdom;
- (h) a "**provision of law**" is a reference to that provision as extended, applied, amended or re-enacted and includes any subordinate legislation;
- (i) a "**clause**", a "**paragraph**" or a "**Schedule**" is a reference to a clause, a paragraph or a schedule to, this Deed;
- (j) a "**Party**" or any other person includes its successors in title, permitted assigns and permitted transferees and this Deed shall be binding on and enforceable by any person who is for the time being a trustee of the Plan including any person who succeeds or replaces a trustee of the Plan (and this paragraph (j) shall be in addition to, and not affect, the provisions of the Trustee Act 1925 of England dealing with transfers of assets and liabilities from one trustee to another);
- (k) this "**Deed**" (or any specified provision of it) or any other document shall be construed as a reference to this Deed, that provision or that document as in force for the time being and as amended, restated, varied, supplemented or novated from time to time;
- (l) "**including**" shall not be construed narrowly but be taken as reading "**including without limitation**";
- (m) a "**time of day**" is a reference to London time; and

(n) words importing the singular shall include the plural and vice versa.

1.2.2 Unless the contrary intention appears, a reference to a "**month**" or "**months**" is a reference to a period starting on one day in a calendar month and ending on the numerically corresponding day in the next calendar month or the calendar month in which it is to end, except that:

(a) if the numerically corresponding day is not a Business Day, the period will end on the next Business Day in that month (if there is one) or the preceding Business Day (if there is not);

(b) if there is no numerically corresponding day in that month, that period will end on the last Business Day in that month; and

(c) notwithstanding paragraph (i) above, a period which commences on the last Business Day of a month will end on the last Business Day in the next month or the calendar month in which it is to end, as appropriate.

1.2.3 If the Trustee considers on the basis of legal advice received from external counsel that an amount paid to it or any Receiver under this Deed is capable of being avoided or otherwise set aside on the liquidation or administration of the payer or otherwise, then that amount will not be considered to have been irrevocably paid for the purposes of this Deed.

1.2.4 Unless the context otherwise requires, a reference to a Security Asset includes the proceeds of sale of that Security Asset.

1.2.5 The headings in this Deed do not affect its interpretation.

1.2.6 It is intended by the Parties that this document takes effect as a deed notwithstanding the fact that a Party may only execute this document under hand.

## **2 COVENANT TO PAY**

### **2.1 Covenant to pay**

The Chargor must pay or discharge the Secured Liabilities when due.

### **2.2 Limited recourse**

Notwithstanding any other provision of this Deed, the liability of the Chargor under this Deed is limited to an amount equal to the realised proceeds of disposal of the Security Assets and accordingly the Trustee and any Receiver (if applicable) shall have no recourse to any assets of the Chargor other than the Security Assets.

## **3 CREATION OF SECURITY**

### **3.1 General**

3.1.1 All the Security Interests created under this Deed:

(a) are created in favour of the Trustee;

(b) are created over present and future assets of the Chargor; and

(c) are continuing security for the payment of all the Secured Liabilities.

3.1.2 If the rights of the Chargor under a document cannot be secured without the consent of a party to that document:

- (a) the Chargor must notify the Trustee promptly;
- (b) this Security will secure all amounts which the Chargor may receive, or has received, under that document but exclude the document itself; and
- (c) unless the Trustee otherwise requires, the Chargor must use reasonable endeavours to obtain the consent of the relevant party to that document being secured under this Deed.

3.1.3 The payment obligations of the Chargor under this Deed shall survive the enforcement of the whole or any part of the Security Assets.

## 3.2 **Security Assets**

3.2.1 As continuing security for the payment, performance and discharge of the Secured Liabilities, the Chargor, as legal and beneficial owner, charges and agrees to charge, by way of first fixed charge in favour of the Trustee, and assigns and agrees to assign absolutely (to the extent any such claim, right, title and/or interest is not effectively charged by way of first fixed charge and in each case insofar as the same are capable of assignment) in favour of the Trustee, all of its present and future claims, rights, title and interest in or to, or in respect of:

- (a) each Securities Account;
- (b) the Securities Related Assets;
- (c) each Cash Account; and
- (d) the Cash Account Balance.

3.2.2 As continuing security for the payment, performance and discharge of the Secured Liabilities, the Chargor hereby charges by way of first fixed charge in favour of the Trustee all of its rights, title, benefit and interest, present and future, in, to and in respect of the Shares and Related Investment Rights provided that the Trustee shall not have any liability in respect of any calls or otherwise in respect of the Shares or Related Investment Rights.

3.2.3 As continuing security for the payment, performance and discharge of the Secured Liabilities, the Chargor hereby grants a lien to the Trustee over all present and future documents of title relating to the Security Assets.

3.2.4 If or to the extent that for any reason the charging or assignment of any Security Asset is prohibited, the Chargor holds it on trust for the Trustee as security for the payment and discharge of the Secured Liabilities. If the reason for such prohibition is that a consent or waiver must be obtained or a condition must be satisfied, then the Chargor shall promptly apply for such consent or waiver and shall use all reasonable endeavours to satisfy such condition or procure such waiver promptly after the date of this Deed (or, if the Security Asset is acquired after the date of this Deed, promptly after such acquisition). On such waiver or consent being obtained, or the condition being satisfied, the Security Asset shall be charged or assigned (as applicable) under this Deed and the trust referred to in this clause 3.2.4 shall terminate.

## 4 **PAYMENTS**

### 4.1 **Funds**

Payments under this Deed to the Trustee must be made for value on the due date at such times and in such funds as the Trustee may specify to the Chargor as being customary at the time for the settlement of transactions in the relevant currency in the place for payment.

#### 4.2 **Currency**

Any amount payable under this Deed is payable in Sterling.

#### 4.3 **No set-off or counterclaim**

All payments made by the Chargor under this Deed shall be calculated and must be made without (and be free and clear of any deduction for) set-off or counterclaim.

#### 4.4 **Business Days**

If a payment under this Deed is due on a day which is not a Business Day, the due date for that payment will instead be the next Business Day in the same calendar month (if there is one) or the preceding Business Day (if there is not).

### 5 **REPRESENTATIONS**

#### 5.1 **Representations**

The representations set out in this clause 5 are made by the Chargor to the Trustee.

#### 5.2 **Status**

5.2.1 It is a limited liability company, duly incorporated and validly existing under the laws of England.

5.2.2 It has the power to own its assets and carry on its business as it is being conducted.

#### 5.3 **Powers and authority**

5.3.1 It has the power to enter into, perform and deliver, and has taken all necessary action to authorise the entry into, performance and delivery of, the Transaction Documents and the transactions contemplated by the Transaction Documents.

5.3.2 No limit on its powers will be exceeded as a result of the grant of this Deed.

#### 5.4 **Legal validity**

Subject to the Reservations, the obligations expressed to be assumed by it in the Transaction Documents are legal, binding, valid and enforceable obligations.

#### 5.5 **Non-conflict**

The entry into and performance by it of, and the transactions contemplated by, the Transaction Documents do not and will not conflict with:

5.5.1 any law or regulation applicable to it;

5.5.2 its constitutional documents; or

5.5.3 any document which is binding upon it or any of its assets or constitute a default or termination event (howsoever described) under any such document,

in the case of clauses 5.5.1 and 5.5.3 above, in a manner or to an extent which would be material in relation to the ability of the Chargor to perform or comply with its obligations under the Transaction Documents, as applicable.

## **5.6 Governing law and enforcement**

5.6.1 The choice of Irish law as the governing law of this Deed will be recognised and enforced in its jurisdiction of incorporation.

5.6.2 Any judgment obtained in Ireland in relation to this Deed will be recognised and enforced in its jurisdiction of incorporation.

## **5.7 No default**

No event or circumstance is outstanding which constitutes a default under any instrument or agreement which is binding on it which has or is reasonably likely to have a Material Adverse Effect.

## **5.8 No Event of Default**

No Event of Default is continuing or might reasonably be expected to result from its entry into the Transaction Documents.

## **5.9 Authorisations**

All authorisations required by it in connection with the entry into, performance, validity and enforceability of, and the transactions contemplated by, the Transaction Documents have been obtained or effected (as appropriate) and are in full force and effect.

## **5.10 Nature of security**

5.10.1 This Deed creates those Security Interests it purports to create and is not liable to be amended or otherwise set aside in the insolvency, liquidation or administration of the Chargor or otherwise.

5.10.2 The Security Interests created by this Deed constitute a first priority Security Interest of the type described over the Security Assets and the Security Assets are not subject to any prior or *pari passu* Security Interest.

5.10.3 The Chargor has not taken (or omitted to take) any action, or permitted anything to be done, which could jeopardise the existence or the priority of this Security.

## **5.11 Security Assets**

5.11.1 It is the sole legal and beneficial owner of the Security Assets.

5.11.2 The Securities have been duly authorised and validly issued and are and will be free from any restrictions on transfer or rights of pre-emption.

## **5.12 Times for making representations**

5.12.1 The representations set out in this clause 5 are made by the Chargor on the date of this Deed.

5.12.2 The representations set out in this clause 5 are deemed to be repeated by the Chargor:

(a) at any time that any Securities or monies are deposited into an Account; and

(b) on each anniversary of the date of this Deed.

5.12.3 When a representation is repeated, it shall be deemed to be made by reference to the facts and circumstances existing at the time of repetition.

## 6 COVENANTS

### 6.1 General

The Chargor agrees to be bound by the covenants set out in this clause 6 so long as any Secured Liabilities are outstanding.

### 6.2 Notification of breach

The Chargor must notify the Trustee in writing of any breach of any of the provisions of this Deed promptly upon becoming aware of its occurrence.

### 6.3 Authorisations

The Chargor must promptly obtain, maintain and comply with the terms of any authorisation required under any law or regulation to enable it to perform its obligations under, or for the validity or enforceability of, this Deed.

### 6.4 Compliance with laws

The Chargor must comply in all respects with all laws to which it is subject where failure to do so has or is reasonably likely to have a Material Adverse Effect.

### 6.5 Security Assets Generally

The Chargor covenants and undertakes to the Trustee that at all times during the continuance of the Security that the Chargor will not take any action in relation to the Security Assets or this Deed under the provisions of Section 94 of the Act (*Court order for sale*).

### 6.6 Disposals and negative pledge

The Chargor must not:

- 6.6.1 create, purport to create or permit to subsist any Security Interest on any Security Asset (other than this Security and any lien or similar right in favour of the provider of any Account on customary terms);
- 6.6.2 (save as may be expressly permitted by the Transaction Documents) sell, assign, transfer, withdraw from any Account, licence, lease or otherwise dispose of in any manner (or purport to do so) all or any part of, or any interests in, any Security Asset; or
- 6.6.3 create or grant (or purport to create or grant) any interest in any Security Asset in favour of a third party (other than any lien or similar right in favour of the provider of any Account on customary terms).

### 6.7 Pari passu ranking

The Chargor must ensure that its payment obligations under this Deed rank at least *pari passu* with all its other present and future unsecured payment obligations, except for obligations mandatorily preferred by laws of general application to companies.

### 6.8 Changes to rights and withdrawals

Save as may be expressly permitted by the Escrow Deed, the Chargor:

- 6.8.1 must not take or allow the taking of any action on its behalf which may result in the rights attaching to any of its Security Assets being altered in any material respect; and

- 6.8.2 shall not withdraw or attempt or be entitled to withdraw (or direct any transfer of), or redeem (or request the purchase or redemption of) all or any part of the Shares, the Securities, any Securities Income or the Cash Account Balance.

## **6.9 Calls**

- 6.9.1 The Chargor must pay all calls, instalments or other payments due and payable in respect of any Securities Related Asset.
- 6.9.2 If the Chargor fails to do so, the Trustee may pay the calls, instalments or other payments on behalf of the Chargor. The Chargor must immediately on request reimburse the Trustee for any payment made by a Trustee under this clause 6.9.

## **6.10 Other obligations in respect of Security Assets**

- 6.10.1 The Chargor must comply with all other conditions and obligations assumed by it in respect of any Security Asset.
- 6.10.2 The Trustee is not obliged to:
- (a) perform any obligation of the Chargor;
  - (b) make any payment, or to make any enquiry as to the nature or sufficiency of any payment received by it or the Chargor; or
  - (c) present or file any claim or take any other action to collect or enforce the payment of any amount to which it may be entitled under this Deed,
- in respect of any Security Asset.

## **6.11 Voting rights, income and Corporate Actions**

- 6.11.1 Before this Security becomes enforceable:
- (a) the Chargor will promptly notify the Trustee in writing where it requested to exercise any voting rights, powers or other rights in respect of the Securities Related Assets. The Chargor shall only exercise such rights or powers with the prior written consent of the Trustee, provided that such consent shall be deemed to have been given where the Trustee does not respond within 5 Business Days from the date of a written request for consent by the Chargor; and
  - (b) the Chargor shall procure that all Securities Income shall be paid promptly into the Cash Account or shall be immediately and automatically reinvested in additional Shares which shall immediately be the subject of the security created pursuant to this Deed and form part of the Shares and the Security Assets.
- 6.11.2 After this Security has become enforceable, the Trustee may exercise (in the name of the Chargor and without any further consent or authority on the part of the Chargor) any voting rights and any powers or rights which may be exercised by the legal or beneficial owner of any Security Asset, any person who is the holder of any Security Asset or otherwise.

## **6.12 Clearance systems**

The Chargor must, after this Security becomes enforceable, if so requested by the Trustee, promptly instruct any Clearance System to transfer any Securities Related Asset held by it for the Chargor or its nominee to an account of the Trustee or its nominee with that Clearance System and take whatever action the Trustee may request for the dematerialisation or rematerialisation of any Security Asset held in a

Clearance System. Without prejudice to the rest of this clause 6 (*Covenants*), the Trustee may, at the expense of the Chargor, take whatever action is required for the dematerialisation or rematerialisation of any Security Assets held in a Clearance System.

#### 6.13 **Provider arrangements**

The Chargor shall:

6.13.1 promptly following the date of this Deed serve a notice of security, substantially in the form of Schedule 1 (*Form of Account Notice*) on the Provider; and

6.13.2 use all reasonable endeavours to ensure that the Provider acknowledges that notice, substantially in the form of Schedule 2 (*Form of Acknowledgement of Account Notice*).

#### 6.14 **Deposit of documents**

In respect of all Security Assets, the Chargor shall immediately upon execution of this Deed or (if later) immediately upon acquisition of an interest in any Security Asset deliver to the Trustee duly executed stock notes and/or any other document representing or evidencing any benefit or entitlement to such Security Asset (if any).

#### 6.15 **Information**

The Chargor shall provide the Trustee with all information which it may reasonably request in relation to the Security Assets.

#### 6.16 **Notifiable events**

The Chargor shall promptly notify the Trustee in writing upon becoming aware that any representation made or deemed to be made by the Chargor under this Deed is or proves to have been incorrect or misleading when made or deemed to be made.

#### 6.17 **Default by Chargor**

In the case of default by the Chargor in the performance of any of the foregoing covenants, the Trustee may (but shall not be obliged to) do whatever may be necessary to make good such default and all sums expended by the Trustee as a result shall form part of the Secured Liabilities.

### 7 **WHEN SECURITY BECOMES ENFORCEABLE**

#### 7.1 **Event of Default**

This Security will become immediately enforceable on the occurrence of an Event of Default.

#### 7.2 **Discretion**

After this Security has become enforceable, the Trustee may in its absolute discretion enforce all or any part of this Security in any manner that it sees fit.

### 8 **ENFORCEMENT OF SECURITY**

#### 8.1 **General**

8.1.1 For the purposes of all powers implied by statute, the Secured Liabilities are deemed to have become due and payable on the date of this Deed.



## 8.2 Statutory powers

8.2.1 At any time after the security constituted by this Deed has become enforceable (in accordance with clause 7 (*When Security becomes enforceable*)):

(a) the statutory power of sale conferred by Section 100 (*Power of sale*) of the Act free from restrictions contained in Sections 97, 98, 100(1), (2), (3) and (4) and Sections 103(2) and 108(1) of the Act and without the requirement to serve notice (as specified in the final proviso to Section 100(1) of the Act); and

(b) the incidental powers of sale conferred by Section 102 (*Incidental powers*) of the Act,

will immediately arise and be exercisable by the Trustee and/or any Receiver; and/or

(c) the Trustee may, without further notice or demand and without the need to obtain the consent of the Chargor or obtain an order for possession under Section 97 (*Taking possession*) of the Act, enter into possession of the Security Assets.

8.2.2 The provisions of Section 99 (*Mortgagee in possession*), Section 101 (*Applications under Sections 97 and 100*) and Section 96(1)(c) of the Act shall not apply to this Deed.

8.2.3 The Trustee and each Receiver is entitled to all the rights, powers, privileges and immunities conferred by the Act.

8.2.4 All of the powers, authorities and discretions which are conferred by this Deed upon a Receiver (either expressly or impliedly) may be exercised after the security constituted by this Deed becomes enforceable by the Trustee in relation to all or any part of the Security Assets both before and after the appointment of a Receiver.

8.2.5 At any time after the security constituted by this Deed has become enforceable:

(a) the Chargor shall:

(i) take such steps as Trustee may require (at the Chargor's cost) to facilitate enforcement of the security constituted by this Deed; and

(ii) hold any payment received by it in respect of any part of the Security Assets in trust for the Trustee; and

(b) the Trustee may exercise (without any consent or authority from the Chargor, and irrespective of any direction given by the Chargor) all of the Chargor's rights in respect of the Security Assets.

## 8.3 Mortgagee in Possession

If the Trustee takes possession of the Security Assets as mortgagee in possession as set out in Clause 8.2.1 above:

8.3.1 it shall not be liable to account as mortgagee in possession, for any loss in connection with the Security Assets, for any loss on realisation of the Security Assets or for any default or omission for which a mortgagee in possession might be liable; and

8.3.2 it shall not be obliged to take steps to dispose of the Security Assets.

#### 8.4 **No liability**

- 8.4.1 Save as provided for in Section 103 (*Obligations on selling*) of the Act, neither the Trustee nor any Receiver will be liable for any loss or damages which arises out of the exercise or the attempted or purported exercise of, or the failure to exercise any of, its or his/her respective powers (unless such loss or damage is caused by its or his/her gross negligence or wilful misconduct) in relation to all or any part of the Security Assets.
- 8.4.2 Without prejudice to the generality of clause 8.3.1 above, neither the Trustee nor any Receiver will be liable to account as mortgagee in possession in respect of the Security Assets or any part thereof nor be liable for any loss on realisation or in connection with the Security Assets or for any default or omission for which a mortgagee in possession might be liable.

#### 8.5 **Protection of third parties**

No person (including a purchaser) dealing with the Trustee or a Receiver or their agents will be concerned to enquire:

- 8.5.1 whether the Secured Liabilities have become payable;
- 8.5.2 whether any power which the Trustee or a Receiver is/are purporting to exercise has become exercisable or is being properly exercised;
- 8.5.3 whether any money remains due in respect of the Secured Liabilities;
- 8.5.4 how any money paid to a Trustee or to that Receiver is to be applied; or
- 8.5.5 about any propriety or regularity on the part of a Trustee or of a Receiver in relation to any of the dealings referred to in this clause 8.

#### 8.6 **Redemption of prior mortgages**

- 8.6.1 At any time after this Security has become enforceable, the Trustee may:
- (a) redeem any prior Security Interest against any Security Asset; and/or
  - (b) procure the transfer of that Security Interest to themselves; and/or
  - (c) settle and pass the accounts of the prior mortgagee, chargee or encumbrancer; any accounts so settled and passed will be, in the absence of manifest error, conclusive and binding on the Chargor.
- 8.6.2 Sections 92 (and any other restriction on the consolidation of mortgages), 94, 96(1)(c), 99, 101, 105(2), 106(3), 107 and 109 of the Act shall not apply to this Deed, the security constituted by this Deed or any enforcement thereof.
- 8.6.3 The Chargor must pay to the Trustee, immediately on demand, the costs and expenses incurred by the Trustee in connection with any such redemption and/or transfer, including the payment of any principal or interest.

#### 8.7 **No duties**

No Trustee or Receiver shall, in respect of any of the Security Assets, have any duty or incur any liability for:

- 8.7.1 ascertaining or taking any action in respect of any calls, instalments, conversions, exchanges, maturities, tenders or other matters relating to any Security Assets or the nature or sufficiency of

any payment whether or not a Trustee or a Receiver has or is deemed to have knowledge of such matters; or

- 8.7.2 taking any necessary steps to preserve rights against prior parties or any other rights relating to any of the Security Assets.

## **9 RECEIVER**

### **9.1 Appointment of Receiver**

- 9.1.1 Except as provided below, the Trustee may appoint any one or more persons to be a Receiver of all or any part of the Security Assets if:

- (a) this Security has become enforceable; or
- (b) the Chargor so requests the Trustee in writing at any time.

- 9.1.2 Any appointment under clause 9.1.1 may be by deed, under seal or in writing under its hand.

- 9.1.3 Any restriction imposed by law on the right of a mortgagee to appoint a Receiver does not apply to this Deed.

### **9.2 Removal**

The Trustee may by writing (subject to any requirement for an order of the court in the case of an administrative receiver) remove any Receiver appointed by them and may, whenever they think fit, appoint a new Receiver in the place of any Receiver whose appointment may for any reason have terminated.

### **9.3 Remuneration**

The Trustee may fix the remuneration of any Receiver appointed by them from time to time, the maximum rate specified in Section 108(7) (*Appointment of a Receiver*) of the Act will not apply and the remuneration of the Receiver shall be a debt secured by this Deed which shall be due and payable immediately upon its being paid by the Trustee.

### **9.4 Agent of the Chargor**

- 9.4.1 A Receiver will be deemed to be the agent of the Chargor for all purposes and accordingly will be deemed to be in the same position as a Receiver duly appointed by a mortgagee under the Act. The Chargor alone is responsible for the contracts, engagements, acts, omissions, defaults and losses of a Receiver and for liabilities incurred by a Receiver.

- 9.4.2 The Trustee will not incur any liability (either to the Chargor or to any other person) by reason of the appointment of a Receiver or for any other reason.

### **9.5 Relationship with Trustee**

To the fullest extent allowed by law, any right, power or discretion conferred by this Deed (either expressly or impliedly) or by law on a Receiver may after this Security becomes enforceable be exercised by the Trustee in relation to any Security Asset without first appointing a Receiver and notwithstanding the appointment of a Receiver.

## **10 POWERS OF RECEIVER**

### **10.1 General**

10.1.1 A Receiver has all of the rights, powers and discretions set out below in this Clause 10 in addition to those conferred on it by any law; this includes all the rights, powers and discretions conferred on a receiver (or a receiver and manager) pursuant to Section 108(3) of the Act.

10.1.2 If there is more than one Receiver holding office at the same time, each Receiver may (unless the document appointing him states otherwise) exercise all of the powers conferred on a Receiver under this Deed individually and to the exclusion of any other Receiver.

### **10.2 Possession**

A Receiver may take immediate possession of, get in and collect any Security Asset.

### **10.3 Carry on business**

A Receiver may carry on any business of the Chargor in any manner they think fit.

### **10.4 Employees**

10.4.1 A Receiver may appoint and discharge managers, officers, agents, accountants, servants, workmen and others for the purposes of this Deed upon such terms as to remuneration or otherwise as they think fit.

10.4.2 A Receiver may discharge any person appointed by the Chargor.

### **10.5 Borrow money**

A Receiver may raise and borrow money either unsecured or on the security of any Security Asset either in priority to this Security or otherwise and generally on any terms and for whatever purpose which they think fit.

### **10.6 Sale of assets**

10.6.1 A Receiver may sell, exchange, convert into money and realise any Security Asset by public auction or private contract and generally in any manner and on any terms which they think fit.

10.6.2 The consideration for any such transaction may consist of cash, debentures or other obligations, shares, stock or other valuable consideration and any such consideration may be payable in a lump sum or by instalments spread over any period which they think fit.

### **10.7 Compromise**

A Receiver may settle, adjust, refer to arbitration, compromise and arrange any claim, account, dispute, question or demand with or by any person who is or claims to be a creditor of the Chargor or relating in any way to any Security Asset.

### **10.8 Legal actions**

A Receiver may bring, prosecute, enforce, defend and abandon any action, suit or proceedings in relation to any Security Asset which he thinks fit.

#### 10.9 Receipts

A Receiver may give a valid receipt for any moneys and execute any assurance or thing which may be proper or desirable for realising any Security Asset.

#### 10.10 Subsidiaries

A Receiver may form a subsidiary of the Chargor and transfer to that subsidiary any Security Asset.

#### 10.11 Delegation

A Receiver may delegate their powers in accordance with this Deed.

#### 10.12 Lending

A Receiver may lend money or advance credit to any customer of the Chargor.

#### 10.13 Protection of assets

A Receiver may do any act to protect any Security Asset as they think fit.

#### 10.14 Financial collateral

10.14.1 To the extent that the Security Assets constitute "financial collateral" and this Deed and the obligations of the Chargor under this Deed constitute a "security financial collateral arrangement" (in each case for the purpose of and as defined in the Financial Collateral Regulations) each Receiver and the Trustee shall have the right on and at any time after this Security has become enforceable to appropriate with immediate effect all or any part of that financial collateral in or towards the satisfaction of the Secured Liabilities.

10.14.2 The value of any Security Asset appropriated under clause 10.14.1 above shall be such amount as the Trustee or Receiver reasonably determines having taken into account advice obtained by it from an independent investment or accountancy firm selected by it, as converted, where necessary, into sterling at a market rate of exchange selected by the Trustee or Receiver as appropriate prevailing at the time of appropriation.

10.14.3 The Trustee or Receiver, as appropriate, will account to the Chargor for any amount by which the value of the appropriated Security Asset exceeds the Secured Liabilities and the Chargor shall remain liable, subject to clause 2.2 (*Limited recourse*), to the Trustee for any amount by which the value of the appropriated Security Asset is less than the Secured Liabilities.

10.14.4 The Chargor agrees that the method of valuing the Security Assets under clause 10.14.2 above is commercially reasonable.

#### 10.15 Currency conversion

For the purpose of, or pending the discharge of, any of the Secured Liabilities a Receiver may convert any monies received, recovered or realised under this Deed (including the proceeds of any previous conversion under this clause 10) from their existing currencies of denomination into such other currencies of denomination as the Receiver may think fit. Any such conversion shall be effected at the then prevailing spot selling rate of exchange for such currency against the existing currency. Each reference in this clause 10 to a currency extends to funds of that currency and, for the avoidance of doubt, funds of one currency may be converted into different funds of the same currency.

#### 10.16 Other powers

A Receiver may:

- 10.16.1 do all other acts and things which they may consider desirable or necessary for realising any Security Asset or incidental or conducive to any of the rights, powers or discretions conferred on a Receiver under or by virtue of this Deed or law;
- 10.16.2 exercise in relation to any Security Asset all the powers, authorities and things which they would be capable of exercising if they were the absolute beneficial owner of that Security Asset;
- 10.16.3 make filings, registrations, notifications and renewals, and apply for and maintain any authorisations, permissions and approvals of any nature whatsoever in relation to the Security Assets;
- 10.16.4 enter into, amend, rescind or repudiate any agreements in relation to the Security Assets;
- 10.16.5 take an indemnity from any person against any losses, howsoever arising, in connection with the exercise by it of its powers in relation to the Security Assets;
- 10.16.6 comply with any requirement of law or regulation, and with any notices or orders received in respect of the Security Assets;
- 10.16.7 treat any part of the Security Assets consisting of money as if it were the proceeds of a sale or other disposal; and
- 10.16.8 use the name of the Chargor for any of the above purposes.

## **11 APPLICATION OF PROCEEDS**

Any moneys received by the Trustee or any Receiver after this Security has become enforceable must be applied in the following order of priority:

- 11.1.1 in or towards payment of or provision for all costs and expenses incurred by the Trustee or any Receiver under or in connection with this Deed, of all remuneration due to any Receiver under or in connection with this Deed and the discharge of any liabilities incurred by any Receiver in, or incidental to, the exercise of any of their powers;
- 11.1.2 in or towards payment of or provision for the Secured Liabilities; and
- 11.1.3 in payment of the surplus (if any) to the Chargor or other person entitled to it.

This clause 11 is subject to the payment of any claims having priority over this Security. This clause 11 does not prejudice the right of the Trustee to recover any shortfall from the Chargor and for the avoidance of doubt, Section 109 of the Act shall not apply to this Deed, the Security or any enforcement thereof.

## **12 EXPENSES AND INDEMNITY**

### **12.1 Amendment costs**

If the Chargor requests an amendment, waiver or consent in relation to this Deed, the Chargor shall, within five (5) Business Days of demand, reimburse the Trustee for the amount of all costs and expenses (including legal fees) reasonably incurred by the Trustee in responding to, evaluating, negotiating or complying with that request.

### **12.2 Enforcement and preservation costs**

The Chargor shall, within five (5) Business Days of demand, pay to the Trustee the amount of all costs and expenses (including legal fees) incurred by the Trustee in connection with the enforcement of or the preservation of any rights under this Deed or this Security and any proceedings instituted in any jurisdiction by or against the Trustee as a consequence of taking, holding or enforcing this Deed or this Security.

### 12.3 Stamp taxes and fees

The Chargor shall pay and, within five (5) Business Days of demand, indemnify the Trustee against any cost, loss or liability that the Trustee incurs in relation to all stamp duty, stamp duty reserve tax, registration and other similar Tax and fees payable in respect of this Deed.

### 12.4 Chargor default

The Chargor shall, within five (5) Business Days of demand, indemnify the Trustee against any cost, expense, loss or liability incurred by the Trustee as a result of:

- 12.4.1 the occurrence of any Event of Default in relation to the Chargor;
- 12.4.2 investigating any event which it reasonably believes is an Event of Default in relation to the Chargor; or
- 12.4.3 any default by the Chargor in the performance of any of the obligations expressed to be assumed by it in this Deed.

### 12.5 Value added taxes

- 12.5.1 Any amount payable under this Deed by one Party to the other Party is exclusive of any VAT which might be chargeable in connection with that amount. If anything done by one Party under this Deed constitutes, for VAT purposes, the making of a supply to another Party and VAT is or becomes chargeable on that supply, the Party receiving the supply shall pay the other Party, in addition to any amounts otherwise payable under this Agreement by the Party receiving the supply, a sum equal to the amount of the VAT chargeable on that supply against delivery of a valid VAT invoice to the Party receiving the supply.
- 12.5.2 If a Party is required by this Deed to reimburse or indemnify another Party for any cost or expense, the Party shall reimburse or indemnify (as the case may be) the other Party for the full amount of such cost or expense, including such part thereof as is equal to the amount of the VAT, save to the extent that the other Party reasonably determines that it is entitled to a credit or repayment in respect of VAT from the relevant tax authority.

### 12.6 Tax gross-up

- 12.6.1 The Chargor must make all payments to be made by it under this Deed without any Tax Deduction, unless a Tax Deduction is required by law.
- 12.6.2 If the Chargor is aware or becomes aware that it must make a Tax Deduction (or that there is a change in the rate or the basis of a Tax Deduction), it must promptly notify the Trustee.
- 12.6.3 If a Tax Deduction is required by law to be made by the Chargor or the Trustee, the amount of the payment due from the Chargor will be increased to an amount which (after making the Tax Deduction) leaves an amount equal to the payment which would have been due if no Tax Deduction had been required.
- 12.6.4 If the Chargor is required to make a Tax Deduction under 12.6.3, the Chargor must make the minimum Tax Deduction required by law and must make any payment required in connection with that Tax Deduction within the time allowed by law.
- 12.6.5 Within 30 days of making either a Tax Deduction or a payment required in connection with a Tax Deduction, the Chargor must deliver to the Trustee evidence satisfactory to it (acting reasonably) that the Tax Deduction has been made or (as applicable) the appropriate payment has been paid to the relevant taxing authority.

### 13 **DELEGATION**

#### 13.1 **Power of Attorney**

The Trustee or any Receiver may delegate by power of attorney or in any other manner to any person any right, power or discretion exercisable by them or it under this Deed.

#### 13.2 **Terms**

Any such delegation may be made upon any terms (including power to sub-delegate) which the Trustee or any Receiver may think fit.

#### 13.3 **Liability**

No Trustee nor any Receiver will be in any way liable or responsible to the Chargor for any loss or liability arising from any act, default, omission or misconduct on the part of any delegate or sub-delegate appointed pursuant to this clause 13.

### 14 **DOCUMENTS OF TITLE**

14.1 On the execution of this Deed, the Chargor shall deliver (or procure delivery of) to the Trustee all Share register extracts and documents of title relating to the Shares existing at the date of this Deed.

### 15 **OTHER PERFECTION STEPS**

15.1 The Chargor will, immediately following execution of this Deed deliver the following to the Trustee:

- 15.1.1 a transfer form in respect of the Shares in the form set out in Part 1 of Schedule 4 signed by the Chargor but left undated with the name of the transferee and the number of shares left blank (the **STF**);
- 15.1.2 a copy of an extract of the share register of the Sub-Fund (the **Share Register**);
- 15.1.3 undated irrevocable proxies in respect of its shareholding in the Sub-Fund in the form set out in Part 2 of Schedule 4; and
- 15.1.4 undated irrevocable authorised person appointments in respect of its shareholding in the Sub-Fund in the form set out in Part 3 of Schedule 4.

15.2 The Chargor will deliver to the Trustee an up to date copy of an extract of the Share Register once per calendar month.

15.3 The Chargor authorises the Trustee to date and otherwise complete the deliverables at clauses 15.1.1, 15.1.3 and 15.1.4 above on or at any time after this Security has become enforceable (including by including the number of Shares in the STF).

### 16 **FURTHER ASSURANCES**

The Chargor must, at its own expense, take whatever action the Trustee or a Receiver may require for:

- 16.1 creating, perfecting or protecting any Security Interest intended to be created by this Deed; or
- 16.2 at any time after this Security becomes enforceable, facilitating the realisation of any Security Asset, or the exercise of any right, power or discretion exercisable, by the Trustee or any Receiver or any of their delegates or sub-delegates in respect of any Security Asset,

including:



16.2.1 the execution of any transfer, conveyance, assignment or assurance of any property, whether to the Trustee or its nominee; or

16.2.2 the giving of any notice, order or direction and the making of any registration,

which, in any such case, the Trustee may think expedient.

## **17 POWER OF ATTORNEY**

17.1 The Chargor, by way of security, irrevocably and severally appoints each Trustee, each Receiver and any of the foregoing's delegates or sub-delegates to be its attorney (with full powers of substitution and delegation) in its name and otherwise on its behalf, and as its act and deed to:

(a) take any action which the Chargor is obliged to take under this Deed and, prior to this Security becoming enforceable, has failed to do so following notification from the Trustee;

(b) execute, deliver and perfect any agreement or form, and take any action (including the making of registrations, filings or notifications), which the Chargor is required to execute, deliver, perfect or take pursuant to this Deed whether for the purposes of perfecting the Security, or at any time after this Security becomes enforceable vesting the Security Assets in the Trustee, any Receiver, any nominee of any of the foregoing, or any purchaser; and

(c) generally with effect from any time after this Security becomes enforceable use its name in connection with the exercise of any rights under this Deed.

17.2 The Chargor ratifies and confirms whatever any attorney does or purports to do under its appointment under this clause 17.

## **18 PRESERVATION OF SECURITY**

### **18.1 Continuing security**

This Security is continuing and will extend to the ultimate balance of the Secured Liabilities regardless of any intermediate payment or discharge in whole or in part.

### **18.2 Reinstatement**

18.2.1 If any discharge, release or arrangement is made by the Trustee in whole or in part on the faith of any payment, security or other disposition which is avoided, set aside, refunded or reduced under any applicable law or proves to have been invalid or must be restored in insolvency, liquidation, administration or otherwise without limitation, the liability of the Chargor under this Deed will continue as if the discharge, release or arrangement had not occurred.

18.2.2 The Trustee may concede or compromise any claim that any payment, security or other disposition is liable to avoidance or restoration.

### **18.3 Waiver of defences**

The liabilities and obligations of the Chargor under this Deed shall remain in full force and effect and will not be affected by any act, omission, neglect, event or thing which, but for this provision, would reduce, release or prejudice any of its obligations under this Deed (without limitation and whether or not known to the Chargor or any Trustee) including:

18.3.1 any time, waiver, consent or other accommodation granted to, or composition with, any person;

18.3.2 any release of any person under the terms of any composition or arrangement;

- 18.3.3 the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or security over assets of, any person;
- 18.3.4 any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any security;
- 18.3.5 any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of any person;
- 18.3.6 any amendment, novation, supplement, extension or restatement (however fundamental and whether or not more onerous, and of whatsoever nature) or replacement of any Transaction Document, any Secured Liability or any other document or security, including any agreement or document relating to the Plan;
- 18.3.7 any unenforceability, illegality, invalidity or non-provability of any obligation of any person under any Transaction Document, or any Secured Liability or any other document or security; or
- 18.3.8 any insolvency or similar proceedings.

#### 18.4 **Chargor intent**

Without prejudice to the generality of clause 16.3 (*Waiver of defences*) the Chargor expressly confirms that it intends that this Security shall extend from time to time to any (however fundamental) variation, increase, extension or addition of or to any of the Secured Liabilities.

#### 18.5 **Immediate recourse**

The Chargor waives any right it may have of first requiring any Trustee (or any trustee, agent or appointee on its behalf) to proceed against or enforce any other right or security or claim payment from any person before claiming from the Chargor under this Deed. This waiver applies irrespective of any law to the contrary.

#### 18.6 **Appropriations**

- 18.6.1 Each Trustee (or any trustee, agent or appointee on its behalf) may at any time during the Security Period without affecting the liability of the Chargor under this Deed:
  - (a) refrain from applying or enforcing any other moneys, security or rights held or received by that Trustee (or any trustee or agent on its behalf) in respect of those amounts; or
  - (b) apply and enforce the same in such manner and order as it sees fit (whether against those amounts or otherwise) and the Chargor shall not be entitled to the benefit of the same; and
  - (c) hold in an interest bearing suspense account any Net Enforcement Proceeds and any moneys received from the Chargor or on account of the Chargor's liability under this Deed including, without prejudice to the generality of the foregoing, until an Insolvency Event has occurred in relation to the Chargor.

#### 18.7 **Additional security**

This Security is in addition to and is not in any way prejudiced or affected by, and shall not merge with any other judgment, guarantee, security, right or remedy now or subsequently obtained or held by the Trustee for the discharge and performance of any of the Secured Liabilities.

## 19 **RELEASE OF SECURITY**

Upon the expiry of the Security Period, the Trustee shall, at the request and cost of the Chargor, take whatever action is necessary to release or re-assign and discharge the Security Assets from the Security.

## 20 **CHANGES TO THE PARTIES**

### 20.1 **Assignments and transfers by the Chargor**

The Chargor may not assign or transfer any of its rights and obligations under this Deed.

### 20.2 **Assignments and transfers by the Trustee**

20.2.1 The Chargor acknowledges that:

- (a) the rights and obligations of the Trustee under this Deed may be transferred in whole or in part to the Pension Protection Fund as a result of the operation of Section 161 of and Schedule 6 to the Pensions Act 2004; and
- (b) the rights and obligations under this Deed shall be binding upon and enure for the benefit of any person who is for the time being a trustee of the Plan including any person who succeeds or replaces a trustee of the Plan.

20.2.2 Each Trustee may at any time and from time to time (without consent of or notice to the Chargor) assign and/or transfer any or all of its rights and/or obligations under this Deed to any person or persons.

20.2.3 If a Trustee assigns or transfers any of its rights or obligations under this Deed, and as a result of circumstances existing at the date of the assignment or transfer, the Chargor would be obliged to make a payment to the assignee under clause 12.6.3 (*Tax gross-up*) of this Deed, then the assignee is only entitled to receive payment under that clause to the same extent as the existing Trustee would have been if the assignment, transfer or change had not occurred.

## 21 **AMENDMENTS**

Any amendment of this Deed shall be in writing and signed by, or on behalf of, each Party.

## 22 **REMEDIES AND WAIVERS**

No failure to exercise nor any delay in exercising any right or remedy under this Deed against the Chargor shall operate as a waiver, nor shall any single or partial exercise of any right or remedy prevent any further or other exercise, or the exercise of any other right or remedy. The rights and remedies provided are cumulative and not exclusive of any rights or remedies provided by law.

## 23 **SEVERABILITY, REMEDIES AND WAIVERS**

23.1 If a term of this Deed is or becomes illegal, invalid or unenforceable in any respect in any jurisdiction, that shall not affect:

23.1.1 the legality, validity or enforceability in that jurisdiction of any other term of this Deed; or

23.1.2 the legality, validity or enforceability in other jurisdictions of that or any other term of this Deed.

23.2 No failure to exercise, nor any delay in exercising, on the part of any Trustee, any right or remedy under this Deed shall operate as a waiver of any such right or remedy or constitute an election to affirm this Deed. No election to affirm this Deed on the part of any Trustee shall be effective unless it is in writing. No single or partial exercise of any right or remedy shall prevent any further or other exercise or the exercise

of any other right or remedy. The rights and remedies provided in this Deed are cumulative and not exclusive of any rights or remedies provided by law.

## 24 COUNTERPARTS

This Deed may be executed in any number of counterparts. This has the same effect as if the signatures on the counterparts were on a single copy of this Deed.

## 25 CERTIFICATES AND DETERMINATIONS

Any certification or determination by the Trustee of an amount under this Deed is, in the absence of manifest error, conclusive evidence of the matters to which it relates.

## 26 NOTICES

### 26.1 In writing

26.1.1 Any communication in connection with this Deed must be in writing and, unless otherwise stated, may be given in person or by email.

26.1.2 Unless it is agreed to the contrary, any consent or agreement required under this Deed must be given in writing.

### 26.2 Contact details

26.2.1 The contact details of the Chargor for this purpose are:

Email: Royal\_Mail\_Group\_Treasury@royalmail.com

Attention: Group Treasury

with a copy to:

Email: [REDACTED]@royalmail.com

Attention: [REDACTED], Head of Corporate Pensions

26.2.2 The contact details of the Trustee are:

Email: rmcppsecretariat@royalmail.com

Attention: The Trustee

with a copy to:

Email: [REDACTED]@royalmail.com

Attention: [REDACTED], Plan Secretary, RMCPP Trustees Limited

### 26.3 Effectiveness

26.3.1 Except as provided below, any communication in connection with this Deed will be deemed to be given as follows:

(a) if delivered in person, at the time of delivery; and

(b) if by email, when received in legible form.

- 26.3.2 A communication given under clause 24.3.1 above but not received on a Business Day or after 5pm on a Business Day will only be deemed to be given on the next Business Day.

27 **LANGUAGE**

Any notice given in connection with this Deed must be in English.

28 **GOVERNING LAW**

This Deed and any non-contractual obligations arising out of or in connection with it are governed by Irish law.

29 **ENFORCEMENT**

29.1 **Jurisdiction**

29.1.1 The Irish courts have exclusive jurisdiction to settle any dispute in connection with this Deed (including a dispute relating to the existence, validity or termination of this Deed or any non-contractual obligation arising out of or in connection with this Deed).

29.1.2 The Parties agree that the Irish courts are the most appropriate and convenient courts to settle any such dispute and accordingly no Party will argue to the contrary.

This document has been executed as a deed and is delivered and takes effect on the date stated at the beginning of this Deed.

**SCHEDULE 1****FORM OF ACCOUNT NOTICE**

To: State Street Liquidity public limited company  
78 Sir John Rogerson's Quay  
Dublin 2  
Ireland

To: State Street Fund Services (Ireland) Limited  
78 Sir John Rogerson's Quay  
Dublin 2  
Ireland

CC: RMCPP Trustees Limited

[Date]

Dear all,

**NOTICE OF SECURITY**

- 1 We refer to a security agreement (the **Security Agreement**) dated [●] and made between Royal Mail Group Limited (the **Chargor**) and RMCPP Trustees Limited (the **Trustee**) regarding the Royal Mail Collective Pension Plan (the **Plan**).
- 2 We hereby give you notice that pursuant to the Security Agreement, we have charged by way of first fixed charge and/or assigned to the Trustee as security for the payment and discharge of certain secured liabilities under the Security Agreement (the "**Secured Liabilities**"), all of our right, title and interest from time to time in the shares in State Street GBP Liquidity LVNAV Fund, a Central Bank of Ireland approved, low volatility net asset value money market sub-fund of State Street Liquidity public limited company (the **Shares**) identified by account no. [●] (the **Account[s]**) and all related rights.
- 3 In connection therewith and by way of security for the Secured Liabilities, we hereby irrevocably and unconditionally instruct and authorise you (notwithstanding any previous instructions whatsoever which we have given you to the contrary) to disclose to the Trustee, without any reference to or further authority from us and without any enquiry by you as to the justification for such disclosure, such information relating to the Account[s], the assets from time to time standing to the credit of such Account[s] (the **Account Assets**) and the debts represented thereby as the Trustee may from time to time request you to disclose to it.
- 4 At any time after you receive a notice from the Trustee that the security created by or pursuant to the Security Agreement has become enforceable (an **Enforcement Notice**), which you shall be entitled to rely on without any verification or further step being required, you agree:
  - 4.1 to only accept instructions in respect of the Account Assets and Shares identified by the Account from an authorised signatory of the Trustee, as set out in the list appended hereto (each a "**Trustee Authorised Signatory**") as such list may be updated from time to time by delivery of a replacement list of authorised signatories (including specimen signatures) signed by any Trustee Authorised Signatory;
  - 4.2 to hold the Shares identified by the Account and the Account Assets to the order of the Trustee and not permit us to receive, withdraw, redeem (or request the repurchase or redemption of) or otherwise transfer the Shares identified by the Account and the Account Assets without the Trustee's prior written consent (which may be given by any Trustee Authorised Signatory); and

- 4.3 upon receipt by you of instructions in writing from any Trustee Authorised Signatory at any time and from time to time, to release any amount of the Account Assets to the account of the Trustee with the following details:

*[insert details of Trustee bank account]*

or such other account as a Trustee Authorised Signatory may notify to you in writing and to otherwise act in accordance with such instructions, without any reference to or further authority from us and without any enquiry by you as to the justification for such instruction or the validity thereof.

- 5 Nothing in this letter or in any instructions which you may receive from the Trustee as referred to above will prevent you from exercising any right of counterclaim, rights of set-off or any other equities whatsoever which you may have from time to time against us in respect of the Shares identified by the Account and the Account Assets or the debts represented thereby or any part thereof.
- 6 The instructions and authorisations which are contained in this letter shall remain in full force and effect until we and the Trustee give you notice in writing revoking them. You shall be entitled to consider any instruction or authorisation signed by a Trustee Authorised Signatory to have been given by or on behalf of the Trustee.
- 7 This letter shall be governed by and construed in accordance with the laws of Ireland.

Would you please acknowledge receipt of this letter and your acceptance of the instructions and authorisations contained in it by sending an acknowledgment addressed to the Trustee and copied to us in the form attached hereto.

Yours faithfully

For and on behalf of the Chargor

.....  
Royal Mail Group Limited

**ANNEX**

**TRUSTEE AUTHORISED SIGNATORIES**

Name	Title	Specimen signature



## SCHEDULE 2

### FORM OF ACKNOWLEDGEMENT OF ACCOUNT NOTICE

To: RMCPP Trustees Limited

Copy: Royal Mail Group Limited

[Date]

Dear all,

### ACKNOWLEDGEMENT OF NOTICE OF SECURITY

[Description of account]

We hereby acknowledge receipt of a letter (a copy of which is attached hereto) dated [●] and addressed to us by the Royal Mail Group Limited (the **Account Holder**), and hereby accept the instructions and authorisations contained therein and undertake to act in accordance and comply with the terms thereof. Terms and expressions defined or used in that letter shall, unless the context otherwise requires, have the same meanings in this letter.

We hereby acknowledge and confirm to the Trustee (as trustee of the Plan) that:

- 1 no rights of counterclaim, rights of set-off or any other equities whatsoever have arisen in our favour against the Account Holder in respect of the Account Assets and Shares identified by the Account or the debts represented thereby or any part thereof; and
- 2 we have not, as at the date hereof, received any notice that any third party has or will have any right or interest in or has made or will be making any claim or demand or taking any action whatsoever against the Account Assets and Shares identified by the Account or the debts represented thereby or any part thereof.

We undertake that in the event of us (i) wishing to exercise any rights or equities referred to in paragraph 1 above or (ii) becoming aware at any time that any person or entity other than the Trustee has or will have any right or interest whatsoever in, or has made or will be making any claim or demand or taking any action whatsoever in respect of, the Account Assets and Shares identified by the Account or the debts represented thereby or any part thereof, we will promptly give written notice thereof to the Trustee.

We have made the acknowledgments and confirmations and have given the undertakings set out in this letter in the knowledge that they are required by the Trustee in connection with the security which has been created by the Account Holder in favour of the Trustee under or pursuant to the Security Agreement.

This letter shall be governed by and construed in accordance with Irish law.

Yours faithfully

For and on behalf of [●]

.....  
[●]

**SCHEDULE 3****SHARES**

Sub-Fund in which shares are held	Jurisdiction of incorporation	ISIN	Account	Number, type and denomination of shares held
State Street GBP Liquidity LVNAV Fund, a Central Bank of Ireland approved, low volatility net asset value money market sub-fund of State Street Liquidity public limited company	Ireland			100% of the Chargor's Accumulating Premier Shares

## SCHEDULE 4

## PART 1 - STOCK TRANSFER FORM

SHARE /  
STOCK  
TRANSFER  
FORM

(Above this line for Registrar's use only)		
Consideration Money <span style="float: right;">[EUR <input type="checkbox"/> / [Nil] / [Consideration to be satisfied by <input type="checkbox"/> ]</span>		Certificate lodged with the Registrar  (for completion by the Registrar / Stock Exchange)
Name of Undertaking	[Insert full name of Target company in which shares are held]	
Description of Security	[Insert type of shares being transferred, e.g. Ordinary Share[s] of EUR1.00]	
Number or amount of Shares, Stock or other security and, in figures column only, number and denomination of units, if any.	Words [Insert in words the number being transferred e.g. Five hundred]	Figures [e.g. 500] units of [e.g. EUR1.00]
Names(s) of registered holder(s) should be given in full, the address should be given where there is only one holder. If the transfer is not made by the registered holder(s) insert also the name(s) and capacity (e.g. Executor(s)) of the person(s) making the transfer.	In the name(s) of [Insert full name of Seller/Transferor] [Insert [registered office address of Seller/Transferor company]/[address of individual Seller/Transferor]]	
I/We hereby transfer the above security out of the name(s) aforesaid to the person(s) named below or to the several persons named in Parts 2 of Brokers Transfer Forms relating to the above security. Delete words in italics except for stock exchange transactions.  Signature(s) of transferor(s)  1. _____ Director  2. _____ Director/Secretary [usually under company seal affixed here]  3. _____  4. _____		Stamp of Selling Broker(s) or, for transactions which are not stock exchange transactions of Agent(s), if any acting for the Transferor(s)
A body corporate should execute this Transfer under its common seal or otherwise in accordance with applicable statutory requirements.		Date: [Insert date of transfer]
Full name(s) and full postal address(es) (including County or, if applicable, Postal District number) of the person(s) to whom the security is transferred. Please state title, if any, or whether Mr., Mrs., or Miss.  Please complete in type or in block capitals.	[Insert full name of Buyer/Transferee] [Insert [registered office address of Buyer/Transferee company]/[address of individual Buyer/Transferee]]	
I/We request that such entries be made in the register as are necessary to give effect to this transfer.		
Stamp of Buying Broker(s) (if any)		Stamp or name and address of person lodging this form (if other than the Buying Broker(s))
Reference to the Registrar in this form means the registrar or registration agent of the undertaking, NOT the Registrar of Companies.		

## FORM OF CERTIFICATE REQUIRED WHERE TRANSFER IS EXEMPT FROM AD VALOREM STAMP DUTY

If you are availing of an exemption from stamp duty, please choose the appropriate Option 1, 2 or 3 below with the necessary certificate which must be signed and dated where indicated.

### OPTION 1

*It is hereby certified that this transaction effected by this instrument does not form part of a larger transaction or a series of transactions in respect of which the amount or value, or the aggregate amount or value, of the consideration which is attributable to stocks or marketable securities exceeds EUR1,000.*

Signature(s) (Please sign in the boxes below)

	Transferee
	Transferee
Date:	

### OPTION 2

*It is certified that this instrument is a conveyance or transfer on any occasion, not being a sale or mortgage.*

Description of transaction:

- |                                 |  |  |
|---------------------------------|--|--|
| Please enter appropriate letter |  | <p>(a) Change of Trustee</p> <p>(b) Nominee to Beneficial Holder</p> <p>(c) Beneficial Holder to Nominee</p> <p>(d) Nominee to Nominee Holder where the beneficial holder remains the same</p> <p>(e) Executor/Administrator to Beneficial Holder</p> <p>(f) A transfer by the liquidator of a company of shares, etc., forming part of the assets of the company, to which the transferee is entitled in satisfaction or part satisfaction of his rights as a shareholder of the company</p> <p>(g) Other, see details below:</p> |
|---------------------------------|--|--|


Signature(s) (Please sign in the boxes below)

Description ("Transferor", "Transferee", "Solicitor", etc)

Date:	

### OPTION 3

Please tick relevant box

☐ *It is hereby certified that section 96 of the Stamp Duties Consolidation Act 1999, applies to this instrument.*

☐ *It is hereby certified that section 97 of the Stamp Duties Consolidation Act 1999, applies to this instrument.*

Signature(s) (Please sign in the boxes below)

	Transferor Spouse
	Transferee Spouse
Date:	

Notes:

- (1) If one of the above certificates has been completed, this share transfer form does not need to be submitted for e-stamping but should be sent directly to the company or its registrars.

- (2) If none of the above certificates has been completed, this share transfer form must be submitted on-line for e-stamping at [www.ros.ie](http://www.ros.ie). Once received, affix the Stamp Certificate to this share transfer form.
- (3) Transfers by means of a gift are not exempt from Stamp Duty under Irish Law.
- (4) Option 1: buyer(s)/transferee(s) only to sign.
- (5) Option 2: buyer(s)/transferee(s)/beneficial holder/new nominee and seller(s)/transferor(s)/nominee to sign or solicitor(s) acting on its/their behalf (where appropriate).
- (6) Option 3: both spouses to sign.

## PART 2 – IRREVOCABLE PROXY

**From:** ●

**To:** ● (For the attention of the Secretary)

**Date:** ●

**Re:** ● (the “**Issuer**” acting in respect of ● (the “**Sub-Fund**”))

1. We ● of ● being a member of the Issuer acting in respect of the Sub-Fund hereby appoint ● as our proxy to attend, speak and vote for us on our behalf at (annual or extraordinary, as the case may be) general meetings of the Issuer in respect of the Sub-Fund only and at any adjournment thereof.
2. We have granted security to the proxy over our shares in the Sub-Fund, and the proxy will vote as it thinks fit.
3. This instrument of proxy replaces any previous instrument(s) of proxy provided by us, and is irrevocable.

Yours faithfully

---

Authorised Signatory

### PART 3 – IRREVOCABLE APPOINTMENT

**From:** ●

**To:** ● (For the attention of the Secretary)

**Date:** ●

**Re:** ● (the “**Issuer**” acting in respect of ● (the “**Sub-Fund**”))

We ● of ● hereby appoint ● as our authorised person to act as our representative at any meeting of the Issuer in respect of the Sub-Fund or at any meeting of any class of members of the Issuer, and to vote on (as it sees fit) and sign resolutions of the Issuer's members in respect of such shares in the capital of the Sub-Fund as may from time to time be held by us.

Yours faithfully

\_\_\_\_\_  
Authorised Signatory

SIGNATURES

Chargor

Signed as a deed by **ROYAL MAIL GROUP LIMITED** acting by two directors or by one director and the secretary:

Director

Signature  
Name Mick Jeavons

Director/Secretary

Signature  
Name Mark Arnsden

DocuSigned by:  
*Mick Jeavons*  
3B08FC47D55A4D5...

:  
:

DocuSigned by:  
*Mark Arnsden*  
71C770D1A7954DD...

:  
:



**Trustee**

**SIGNED AS A DEED** by )

**RMCPP TRUSTEES** )

**LIMITED** acting by )

its two directors: )

DocuSigned by:  
*Naomi L'Estrange*  
652A884F083D418...

Signed by Naomi L'Estrange .....  
duly authorised by  
20-20 Trustee Services Limited  
to sign on its behalf as a director of  
RMCPP Trustees Limited

DocuSigned by:  
*David Stanley Gold*  
2F92B44A717948C...

Director .....

Name ..... David Stanley Gold .....